



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR



KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812

MARK J. SALADINO
TREASURER AND TAX COLLECTOR

February 16, 2005

The Board of Directors of the Industrial Development
Authority of the County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Board of Directors:

**APPROVE THE RESOLUTION FOR PARTIAL RECONVEYANCE OF CERTAIN REAL
PROPERTY OF GOLDBERG & SOLOVY FOODS, INC.
(FIRST DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the Resolution approving a partial reconveyance of certain real property of Goldberg & Solovy Foods, Inc. (the Borrower) encumbered by that certain Trust Deed securing the Industrial Development Revenue Bonds, Series 1984 (the Bonds).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On December 18, 1984, the Industrial Development Authority (the Authority) approved the issuance and sale of Industrial Development Revenue Bonds, Series 1984 in the aggregate principal amount of \$3,500,000. The proceeds of the bonds were loaned to Goldberg & Solovy Foods, Inc. for the construction of a food processing and distribution facility with parking and landscaping (the Project).

The Trust Deed, recorded pursuant to the Project, currently encumbers a parcel of land that the Borrower seeks to transfer to Golsol, Inc., a California corporation (Golsol) with substantially similar ownership as the Borrower. The Borrower has requested our assistance in the reconveyance of the encumbered parcel since no portion of the Project is located on the parcel and the parcel is no longer required as collateral for the outstanding debt service on the Bonds. The Resolution provides for the Authority to release and reconvey the Deed of Trust for Parcel 1 to Golsol.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal of Organizational Effectiveness through collaborative actions among County departments and other governmental jurisdictions.

FISCAL IMPACT / FINANCING

None.

FACTS AND PROVISIONS / LEGAL REQUIREMENTS

The recorded Trust Deed currently encumbers two adjacent parcels of land, located in the City of Vernon (the City). At the time of recordation, the parcels were identified as Parcel 9 and Parcel 10. The Borrower completed the construction of the Project, which was located on Parcel 10. On September 4, 1987, the City approved a lot line adjustment that redesignated Parcels 9 and 10 as Parcels 1 and 2, respectively. The Borrower has previously attempted to transfer Parcel 1 to Golsol, but it cannot be transferred because it is encumbered as part of the security for the Bonds. The Borrower now seeks to remove the encumbrance and transfer Parcel 1 to Golsol.

On the recommendation of the Department of Public Works (DPW), the Treasurer and Tax Collector requested a new appraisal of Parcel 2, which was paid for by the Borrower. The appraisal report secured by DPW determined that the value of Parcel 2 is \$7,300,000. With \$2,275,000 in Bonds currently outstanding for the Project, there is a value-to-lien ratio of more than 3 to 1. At this value-to-lien ratio, we believe that reconveyance of Parcel 1 will not adversely impact the security of the Bonds. County Counsel has reviewed and approved the legal documents necessary to effectuate the reconveyance.

The Board of Directors
February 16, 2005
Page 3

CONCLUSION

Upon approval, the Department will need two (2) stamped copies of the adopted Board Letter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark J. Saladino", with a stylized flourish at the end.

MARK J. SALADINO
Treasurer and Tax Collector

MJS:GB:BLC:pab
pb:Bd Ltr- Goldberg and Solovy reconveyance

Attachment (1)

c: Chief Administrative Officer
County Counsel
Auditor-Controller

**THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF LOS ANGELES**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY
OF LOS ANGELES, CALIFORNIA APPROVING A PARTIAL
RECONVEYANCE OF THE LIEN OF THAT CERTAIN FIRST
DEED OF TRUST AND ASSIGNMENT OF RENTS
(CONSTRUCTION TRUST DEED) RECORDED ON DECEMBER
31, 1984 AS INSTRUMENT NO. 84-1518692 IN THE OFFICIAL
RECORDS OF LOS ANGELES COUNTY**

WHEREAS, the Industrial Development Authority of the County of Los Angeles, a public, corporate instrumentality under the State of California (the "**Authority**") issued those certain Industrial Development Revenue Bonds, Series 1984 (the "**Bonds**") in the aggregate principal amount of \$3,500,000, the proceeds of which were loaned to Goldberg & Solovy Foods, Inc. ("**Borrower**") for the construction of an approximate 60,000 square foot food processing and distribution facility with appurtenant parking and landscaping (the "**Project**") in Vernon, California pursuant to the terms and conditions of that certain Indenture of Trust dated as of December 20, 1984 (the "**Indenture**"); and

WHEREAS, the Authority is the original beneficiary of that certain First Deed of Trust and Assignment of Rents (Construction Trust Deed) (the "**Deed of Trust**") given by Borrower and recorded on December 31, 1984 as Instrument No. 84-1518692 in the Official Records of Los Angeles County; and

WHEREAS, the Authority assigned its beneficial interest in and to the Deed of Trust to Trust Services of America, Inc. (the "**Original Bond Trustee**") pursuant to that certain Memorandum of Assignment of Deed of Trust recorded on December 31, 1984 as Instrument No. 84-4518693 in the Official Records of the County of Los Angeles; and

WHEREAS, Chase Manhattan Bank & Trust Company, National Association ("**Chase**") subsequently succeeded to all of the rights, title and interest of the Original Bond Trustee; and

WHEREAS, Chase subsequently changed its legal name to J.P. Morgan Trust Company, National Association (the "**Successor Bond Trustee**"), and, therefore, is the current beneficiary under the Deed of Trust; and

WHEREAS, the Deed of Trust currently encumbers two adjacent parcels of land as described therein (collectively, the "**Property**").

WHEREAS, on or about September 4, 1987, Borrower received approval from the City of Vernon pursuant to that certain Resolution No. 5410 to effectuate a lot line adjustment of the Property (the "**Lot Line Adjustment**"). Prior to the Lot Line Adjustment, the two parcels comprising the Property were known as Parcel 9 (approximately 79,644 square feet.) and Parcel 10 (approximately 83,579 square feet). Subsequent to the Lot Line Adjustment, Parcel 9 was re-designated as Parcel 1 (approximately 22,615 square feet) ("**Parcel 1**") and Parcel 10 was re-designated as Parcel 2 (approximately 140,557 square feet) ("**Parcel 2**"). Parcel 1 is legally described on Exhibit "A" attached hereto and Parcel 2 is legally described on Exhibit "B" attached hereto; and

WHEREAS, Borrower completed construction of the Project, which Project is located wholly on Parcel 2 and has subsequently transferred Parcel 1 to Golsol, Inc., a California corporation ("**Golsol**"); and

WHEREAS, at the time of the transfer of Parcel 1 from Borrower to Golsol, the shareholders, and each of their respective ownership interests in each of the foregoing corporations, were identical; and

WHEREAS, Borrower and Golsol have requested that the Authority release and reconvey the Deed of Trust from Parcel 1; and

WHEREAS, pursuant to the terms of that certain "**Certificate of Borrower**" dated as of the same date as the Opinion Letter (as defined below), the current president of Borrower, Earl Goldberg, has certified that all the proceeds of the Bonds were used by the Borrower for the construction of the Project, as defined in the Indenture, and that the Project is wholly located on Parcel 2 with no portion of the Project encroaching upon Parcel 1; and

WHEREAS, Cox, Castle & Nicholson LLP, as special counsel to the Borrower ("**Special Counsel**"), has opined, subject to all of the qualifications, limitations and terms of the opinion letter (the "**Opinion Letter**") issued by Special Counsel as a required condition of the Authority for the granting of approval of the reconveyance of the Deed of Trust from Parcel 1, that the Authority's reconveyance of the Deed of Trust from Parcel 1, will not, in and of itself, adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Authority as follows:

SECTION 1. In reliance upon the Opinion Letter of the Special Counsel to the Borrower and the Certificate of Borrower, the Authority hereby approves of the partial reconveyance of the lien of the Deed of Trust from Parcel 1 and directs the Bond Trustee to execute and deliver to Golsol the Substitution of Trustee and Deed of Partial Reconveyance, the form of which is attached hereto as Exhibit "C".

SECTION 2. The officers of the Authority are, and each of them hereby is, authorized and directed to do any and all of the things, and to execute and deliver any and all documents that said officers may deem necessary or advisable in order to consummate the partial reconveyance identified in Section 1 of this Resolution and otherwise carry out, give effect and comply with the terms and intent of this Resolution.

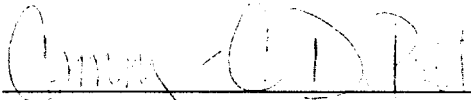
I hereby certify that the foregoing resolution was adopted by the Board of Directors of the Industrial Development Authority of the County of Los Angeles on this _____ day of _____, 2005.

VIOLET VARONA-LUKENS
Executive Officer-Clerk of the Board of Supervisors
of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By: 
Principal Deputy County Counsel

STATE OF _____)
) ss:
COUNTY OF _____)

On _____, _____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____

_____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

EXHIBIT "A" TO RESOLUTION

LEGAL DESCRIPTION OF PARCEL 1

That portion of Parcel 9 of Parcel Map No. 16480, in the City of Vernon, County of Los Angeles, State of California, as shown on the map filed in Book 174, Pages 71 through 78 of Parcel Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Northwest corner of said Parcel 9; thence South 0 Degrees 01 Minutes 12 Seconds West 68.40 feet along the Westerly line of said Parcel 9; thence North 89 Degrees 30 Minutes 14 Seconds East 341.68 feet to the Easterly line of said Parcel 9; thence along said Easterly line and the Northeasterly and Northerly lines of said Parcel 9, the following courses: North 1 Degree 14 Minutes 52 Seconds West 36.00 feet to the beginning of tangent curve concave Southwesterly having a radius of 30.00 feet, Northerly and Westerly 46.46 feet along said curve through a central angle of 88 Degrees 43 Minutes 56 Seconds and North 89 Degrees 58 Minutes 48 Seconds West 310.88 feet to the point of beginning, as created under lot line adjustment per Resolution No. 5410 recorded September 4, 1987 as Instrument No. 87-1430237.

Contains an area of 22,615 square feet, more or less.

EXHIBIT "B" TO RESOLUTION

LEGAL DESCRIPTION OF PARCEL 2

That portion of Parcels 9 and 10 of Parcel Map No. 16480, in the City of Vernon, County of Los Angeles, State of California, as shown on the map filed in Book 174, Pages 71 through 78 of Parcel Maps, in the office of the County Recorder of said County, described as follows:

Commencing at the Northwest corner of said Parcel 9; thence South 0 Degrees 01 Minutes 12 Seconds West 68.40 feet along the Westerly line of said Parcel 9 to the true point of beginning; thence North 89 Degrees 30 Minutes 14 Seconds East 341.68 feet along said parallel line to the Easterly line of said Parcel 9; thence along said Easterly line, the Easterly, Southerly and Westerly lines of said Parcel 10 and said Westerly line, the following courses: South 1 Degree 14 Minutes 52 Seconds East 403.76 feet, South 88 Degrees 45 Minutes 08 Seconds West 350.69 feet and North 0 Degrees 01 Minutes 12 Seconds East 408.35 feet to the true point of beginning as created under lot line adjustment per Resolution No. 5410 recorded September 4, 1987 as Instrument No. 87-1430237.

Contains an area of 140,557 square feet, more or less.

EXHIBIT "C" TO RESOLUTION

**FORM OF SUBSTITUTION OF TRUSTEE
AND DEED OF PARTIAL RECONVEYANCE**

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
COX, CASTLE & NICHOLSON LLP
19800 MacArthur Boulevard, Suite
600
Irvine, CA 92612-2435
Attention: Hans Lauterbach, Esq.

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

**SUBSTITUTION OF TRUSTEE AND
DEED OF PARTIAL RECONVEYANCE**

A. Substitution.

WHEREAS, Goldberg & Solovy Foods, Inc., a California corporation, was the original "**Trustor**", Ticor Title Insurance Company was the "**Original Trustee**" and the Industrial Development Authority of the County of Los Angeles was the original "**Beneficiary**" under that certain First Deed of Trust and Assignment of Rents (Construction Trust Deed), dated December 31, 1984, and recorded as Instrument No. 84-1518692 in the Official Records of Los Angeles County, California ("**Deed of Trust**"); and

WHEREAS, the Original Beneficiary subsequently assigned its beneficial interest in and to the Deed of Trust to Trust Services of America, Inc., a California corporation ("**TSA**"), as trustee, pursuant to that certain Memorandum of Assignment of Deed of Trust recorded on December 31, 1984 as Instrument No. 84-151863 in the Official Records of Los Angeles County, California; and

WHEREAS, Chase Manhattan Bank & Trust Company, National Association ("**Chase**"), in its capacity as trustee pursuant to that certain Indenture of Trust ("**Indenture**") dated as of December 20, 1984 ("**Successor Beneficiary**"), subsequently succeeded to TSA's rights and obligations under the Deed of Trust pursuant to an unrecorded assignment; and

WHEREAS, Chase subsequently changed its legal name to J.P. Morgan Trust Company, National Association and, therefore, as the undersigned, is the present "**Beneficiary**" under said Deed of Trust and owner and holder of the obligations secured thereby; and

WHEREAS, the undersigned, as the Beneficiary, desires to substitute itself as "**Trustee**" under said Deed of Trust in the place and stead of said Original Trustee thereunder, in the manner provided in said Deed of Trust; and

NOW THEREFORE, the undersigned hereby substitutes itself, J.P. Morgan Trust Company, National Association, in its capacity as trustee pursuant to the Indenture, whose address is 101 California Street, Suite 3800, San Francisco, California 94111, as Trustee under said Deed of Trust, in the place and stead of the Original Trustee thereunder.

B. Partial Reconveyance.

The undersigned, as Beneficiary and successor Trustee under the terms of the Deed of Trust, and in accordance with the provisions of the Deed of Trust, hereby reconveys, without warranty, to the person or persons legally entitled thereto, all estate now held by said successor Trustee under the Deed of Trust in and to the portion of the real property described in the Deed of Trust that is situated in the City of Vernon, County of Los Angeles, State of California, and described in Exhibit "A" attached hereto and incorporated herein by this reference ("**Parcel 1**").

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its authorized representative as of the date set forth below.

Dated: _____, 2005

**J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION**, in its capacity as trustee

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss:
COUNTY OF _____)

On _____, _____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____

_____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

STATE OF _____)
) ss:
COUNTY OF _____)

On _____, _____, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____

_____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

EXHIBIT "A"

LEGAL DESCRIPTION OF PARCEL 1

Parcel 1: That portion of Parcel 9 of Parcel Map No. 16480, in the City of Vernon, County of Los Angeles, State of California, as shown on the map filed in Book 174, Pages 71 through 78 of Parcel Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Northwest corner of said Parcel 9; thence South 0 Degrees 01 Minutes 12 Seconds West 68.40 feet along the Westerly line of said Parcel 9; thence North 89 Degrees 30 Minutes 14 Seconds East 341.68 feet to the Easterly line of said Parcel 9; thence along said Easterly line and the Northeasterly and Northerly lines of said Parcel 9, the following courses: North 1 Degree 14 Minutes 52 Seconds West 36.00 feet to the beginning of tangent curve concave Southwesterly having a radius of 30.00 feet, Northerly and Westerly 46.46 feet along said curve through a central angle of 88 Degrees 43 Minutes 56 Seconds and North 89 Degrees 58 Minutes 48 Seconds West 310.88 feet to the point of beginning, as created under lot line adjustment per Resolution No. 5410 recorded September 4, 1987 as Instrument No. 87-1430237.

Contains an area of 22,615 square feet, more or less.